

# Everything You Need to Know About Opting-Out

Only 6% of Americans have opted to opt-out of unsolicited commercial mailing lists.

This is somewhat surprising since virtually everyone complains about the amount of junk-mail and SPAM that they receive. It's even more surprising when you consider that a majority of American households have added their names and phone numbers to the FCC's No-Call list.

Recently, we learned that most people don't know what opting-out is, why they may want to consider it, or how to go about the process.

We feel that there are two reasons for the huge difference in participation levels on the No-Call list vs Opting-Out of marketing lists. First, the FCC No-Call list is heavily publicized in the media, DMA's opt-out list is not. Second, most people are unaware that they can get off of most commercial marketing lists for both e-mail and snail mail.

While the procedures for being removed from commercial marketing lists is not quite as simple as adding a phone number to the No-Call list, the process is still relatively simple and painless.

### What is opt-out?

Every time you fill out an application for credit, enter a sweepstakes, or even when you furnish your personal information to the government, that information is stored in a database. Once there, it can easily be shared with other businesses.

In Europe, they use an "opt-in" process for marketing. That means that before a company shares your personal information with another business they have to get YOUR permission - thus, you opt-in to the sharing of your information.

When the U.S. first started reviewing "personal privacy" options in enacting the Gramm-Leach-Bliley Act, they actually considered using an "opt-in" process. However, with the U.S. economy being driven by consumer spending, marketing and financial companies feared that no one would "opt-in" to sharing of information. Thus, here in the U.S. we have "opt-out", which means any company can sell or share your personal information, unless you say "NO." Thus, placing the burden on you, the individual rather than the business.

The Gramm-Leach-Bliley Act, initially hailed as a pro-personal privacy bill, actually made the buying and selling of your personal information easier for businesses.

The Act created a new word "Affiliate Sharing." Affiliate sharing occurs when a company shares their information between "affiliated" companies. Affiliated companies, are those that have some type of common ownership or control.

The other type of sharing is "joint marketing relationships". This is where the company has a marketing agreement to share information between each other. In this situation, your name is sold to the company, and the seller may also enjoy a "commission" on everything that other business sells to you. Thus the term "joint marketing."

In each of these situations, the primary purpose is to market more stuff to YOU. Items that you usually don't need and may times don't want.

When you opt-out at a company level, you are telling the business that you don't want your information furnished or sold to anyone else. Normally, you have to "opt-out" of both types of sharing.

### Why opt-out?

There are two good reasons. First is simply to avoid junk mail and SPAM. An hour of your time will save you countless hours of sifting through your e-mail and snail mail.

The second reason is much more important. Opting out will help protect your privacy, your credit, and it can even minimize identity theft.

### How do I opt-out?

Prior to the Gramm-Leach-Bliley Act, this process was a little easier, however, here is what you do now.

First, to opt-out of all national unsolicited mail. That is done via the Direct Marketing Association (DMA) at <http://www.dmaconsumers.org/consumerassistance.html>. When you contact the DMA to be removed, you will be given

the option of opting out online, or via the mail. The online option is immediate but it also costs \$5. ACCESS advises using the snail mail option. The process takes about two weeks. it is free and it works just as well.

Next, to get off lists for pre-approved credit offers and insurance offers, call (888) 567-8688. This call will start the procedure to have you removed from lists created by Trans Union, Equifax, Experian and Innovis. The procedure can also be completed by visiting the website <http://www.optoutprescreen.com>. ACCESS recommends using the telephone option for security reasons. Once you call they will send you written confirmation, that will have to be signed and returned to them.

Third, if you haven't already done it, get your name off of telemarketers lists by registering your number with the FCC. Calling from the phone you want to register, merely dial 1-888-382-1222. This registration only lasts 5 years.

Last, is to opt-out of affiliate sharing and joint marketing. This requires more work on your part. Here you are required to contact the businesses that you have a relationship with. Here you will contact your individual bank, credit card company, insurance company, mortgage company, etc. Ask them how to opt-out of affiliate sharing and joint marketing.

Will opting-out prevent all sales of my personal information?

Simply put, the answer is no. But it will slow it down and may prevent abuses.

Banks have the right to share your personal information with their affiliate companies without your permission. This is allowed by the Fair and Accurate Credit Transactions Act (FACTA) of 2003. However, many banks will honor your request to "opt-out."

There is some reason to hope that this practice will not continue however. That is because California has challenged FACTA in Federal Court.

In 2004, California won its first challenge. The American Bankers Association has appealed the ruling. The case will be heard by the 9th Circuit Court of Appeals sometime in 2005. Regardless of the way that the court rules, it is certain that their ruling will be appealed to the Supreme Court. Therefore, it is quite likely that this battle will drag out until 2006 or 2007 before there is a final ruling on the matter.

Some companies offer no opt-out mechanism. If you are privacy or security conscious, it is a good idea to read the privacy policies of any companies that you are doing business with.

What information do I need to provide when I opt-out?

When you opt-out, you may be surprised to learn that the companies mentioned in this article will require you to furnish your Social Security Number. While this may make you somewhat uncomfortable, it is the only unique record locator that these companies use. Therefore, if you want to complete the opt-out process, you must provide this information.

You may also be asked to provide your date of birth and your mother's maiden name.

Unfortunately, to get off some of these lists you are force to provide all of your most personal information.

How long does opt-out last?

That depends. Some opt-out procedures are permanent. Others last for a period of years. In some cases, you will be given the choice of opting out permanently.

Are there any opt-out procedures that I should be cautious of?

Yes. When you receive unsolicited e-mail, never click on the links within the messages that ask if you want to be removed from the mailing list. By clicking on these links, you are actually notifying the e-mailer that your e-mail address is good. The net result of clicking on this type of link is usually an increase in SPAM, rather than a decrease.

Are there other things I can do to help protect my privacy and security?

Yes. call any magazines that you subscribe to and tell them that you do not want your personal information sold.

by Jim Malmberg

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